

VZCZCXRO1375
PP RUEHROV
DE RUEHJM #1985/01 3080819
ZNY CCCCC ZZH
P 030819Z NOV 08
FM AMCONSUL JERUSALEM
TO RUEHC/SECSTATE WASHDC PRIORITY 3159
INFO RUEHKK/ARAB ISRAELI COLLECTIVE PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 JERUSALEM 001985

SIPDIS

NEA/IPA FOR HOLMSTROM/LENTZ; NSC FOR PASCUAL
DEPT PLEASE PASS TO USAID FOR ANE/MEA:MCCLLOUD/BORODIN

E.O. 12958: DECL: 10/28/2013
TAGS: [ECON](#) [EAID](#) [EAGR](#) [ETRD](#) [KWBG](#) [IS](#)
SUBJECT: SHUTDOWN OF JORDAN VALLEY CROSSING THREATENS WEST
BANK AGRICULTURE EXPORTS

REF: 07 JERUSALEM 220

Classified By: Consul General Jake Walles, Reasons 1.4 (b) and (d)

¶1. (SBU) Summary: The GOI has closed the principal commercial crossing in the northern Jordan Valley to Palestinian agriculture exports, according to Palestinian farmers and USG contractors. Palestinian farmers report that the closure of Bardala/Bisan crossing will limit their access to international markets and dramatically reduce revenues. They claim that alternative crossings (requiring significantly longer drives through additional West Bank checkpoints) are not viable for most Palestinian agricultural exports. As a result, Palestinian farmers say they will be forced to choose between selling their goods to packing houses run by Israeli settlers (who can use Bardala/Bisan) and selling in internal markets. Either option fetches significantly lower prices. End summary.

Farmers: Bardala key to harvest season

¶2. (SBU) The Bardala/Bisan crossing in the northern West Bank was closed to Palestinian agriculture exports as of October 1, 2008, according to Palestinian farmers and USAID contractors. These farmers report that 85 percent of Palestinian agriculture exports from the Jordan Valley during the 2007-2008 harvest passed through Bardala/Bisan crossing en route to international markets (reftel). They claim the crossing's closure will cripple this year's export potential.

(Note: The prime export season runs from November through April, when Jordan Valley herbs, tomatoes, and sweet peppers are exported to Europe and Russia and fetch high prices as out-of-season produce. USAID has provided close to USD 2 million to support agricultural development in the Jordan Valley, and a number of the farmers we spoke to are recipients of USG funding. End Note.)

Israeli settlers benefit from closure

¶3. (C) Mazen Sinokrot, who owns farmland and a recently constructed packing house in the Jordan Valley, told Econoff on October 30 that Palestinians will not be able to compete with neighboring Israeli settlers if Bardala/Bisan remains closed. Sinokrot said that Israeli settlers are still able to export via Bardala/Bisan twenty-four hours a day. (Note: Sinokrot estimates that the 400 dunums of farmland he planned to support this season through his packing house would have netted farmers and workers approximately ten million dollars in revenue. He estimates that farmers will get 10 to 15 percent less from Israeli settler packing houses. End Note.)

¶4. (SBU) According to members of the Palestinian-American Chamber of Commerce, some Jordan Valley farmers are looking

to use Jalameh or Tulkarem crossings into Israel, via the West Bank checkpoints of Tayasir or Hamra. The trip (which requires an additional permit for the checkpoints) adds nearly seventy kilometers to the journey. Because of the travel times and limited hours of operations at the crossings, Palestinian produce will leave the West Bank a day later than Israeli settler produce picked the same day. USAID contractors report that the resulting reduced shelf-life makes Palestinian fruits and vegetables less attractive to buyers and lowers their prices. In addition, roads from the Jordan Valley to the Jalameh and Tulkaram crossings are poor, resulting in further reduction of product quality and shelf life.

Produce grown for export to be sold locally

15. (C) Jordan Valley farmer Imad Nuseibeh told Econoff on October 28 that the Bardala/Bisan closure will force him to sell 70 percent of his harvest locally -- in Jericho and Nablus -- and just 30 percent to Israeli markets, where higher prices are fetched for his potatoes, eggplants, and cucumbers. Prior to the closure, he shipped 70 percent to Israel. Nuseibeh said that the closure will reduce international demand for Palestinian produce, as European and Russian buyers move to other suppliers.

Farmers association makes a plea to Fayyad

16. (U) The Jordan Valley farmers association sent a letter to Prime Minister Fayyad on October 22, asking for his help

JERUSALEM 00001985 002 OF 002

to re-open the Bardala/Bisan crossing to Palestinian exports. The association underscored the areas dependence on agriculture exports, describing the closure as "catastrophic" to the Jordan Valley economy, according to press reports.
WALLES